

Place this Handbook where it may be read by
Service or Ex-Service men

THE VETERANS' LAND ACT, 1942

*A Summary of its Aims, Scope
and Main Details*

HANDBOOK No. 1

Issued under the Authority of

Hon. T. A. CRERAR
Minister of Mines and Resources

IMPORTANT NOTICE

The Veterans' Land Act, 1942

Handbook No. 1.

By Order in Council P.C. 7990, dated October 14, 1943, the maximum financial assistance available to a veteran under the Act was increased from \$4,800 to \$6,000, of which \$4,800 is now the maximum for land and buildings and \$1,200 is the maximum for chattels. The maximum indebtedness which the veteran may now assume is \$3,200.

The figures given on page 5 of Handbook No. 1 should be altered to correspond with the above increases in available financial assistance, and on page 6, paragraph 2 the words (maximum provided by the Act) should be deleted.

THE VETERANS' LAND ACT

Pamphlet for Information of Canada's Armed Forces

Foreword

The Veterans' Land Act 1942 is only one of the rehabilitation measures planned by Government. Land Settlement is not expected to meet the needs of the majority of veterans in becoming reinstated in civil life when the war is over. To men who are seriously interested in full-time farming or small holding settlement coupled with other employment, as a means of post war rehabilitation, the pamphlet is worth careful study. On the other hand, men who regard land settlement as something "merely to take a whirl at" should not read beyond this foreword: in this latter case it is suggested that the pamphlet be passed to a friend who is interested.

At this stage of the war actual settlement operations in volume will not be attempted, notwithstanding that a large number of men have already been discharged from the active service forces. Abundant employment opportunities at good rates of pay are available to all men who have been discharged from the forces and who are able to work, and this condition will doubtless continue for the duration of the war. Build-

ing materials necessary for operations under this Act are needed for the war effort, and farm machinery is under restricted manufacture. There is in addition the important consideration that members of the active forces serving overseas in various parts of the world should not be at a disadvantage in participating in the benefits of the Act.

December, 1942.

Director.

THE VETERANS' LAND ACT

GENERAL SCOPE OF SETTLEMENT

The term "Land Settlement" is usually associated with establishment on land to engage in the business of full-time farming. The average man pictures a wheat farm, a mixed farm or dairy proposition, or a specialized farm of smaller acreage for fruit growing, vegetable growing, or poultry raising. He may even picture settlement on homestead or undeveloped land in a pioneer district gradually to be developed into a self-contained farm. But the general thought is the same—land settlement for the business of full-time farming with living to be made from farm production. State-aided land settlement projects of the past have been based on this conception.

The Veterans' Land Act makes provision for financial assistance to veterans to become established in the business of full-time farming, but it also contains provision for financial assistance to veterans who are not fitted by experience or aptitude to make a success of a strictly agricultural undertaking. Assistance along these lines will be directed toward small holding settlement or part-time farming coupled with industrial, commercial, or other employment from which it is expected the main income will be derived. This form of assistance will appeal to many veterans who prefer to follow the

trade or profession in which they are already skilled rather than to *start* acquiring the experience and skill necessary in the management and operation of a full-time farming venture. Thus the Veterans' Land Act is a flexible measure under which the following three main types of establishment will be available:

- (a) full-time farming for men with practical experience in farm operation;
- (b) small holding settlement, which means a rural home and small acreage located close to employment opportunity;
- (c) small holding settlement, coupled with commercial fishing in Canada's coastal regions or inland districts where fishing is engaged in on a commercial basis.

It is important that small holding settlement referred to in (b) above should not be thought of only in relation to the larger and more highly industrialized centres in Canada. Many of our small centres of population are industrialized to a certain extent, and it is the small centres—our towns and villages all over the country—which make up the framework of our intricate system of distribution of goods and services. This great framework is just as permanent as the agricultural or other primary industries which surround it. There are sound reasons, therefore, why small holding settlements should be fitted into this structure—with the veteran and his family living in a rural home

on a small acreage and the main source of revenue gained from any of several types of employment in the particular community.

The purpose of the Veterans' Land Act is to assist veterans toward the full ownership of rural homes and working equipment under a plan whereby the Dominion of Canada bears a substantial part of the cost of such property if the veteran observes the terms of his contract. The maximum financial assistance under the Act on behalf of a veteran is \$4,800, of which \$3,600 is the maximum for land and buildings and \$1,200 is the maximum for chattels. But the maximum indebtedness the veteran assumes is \$2,400. The following illustrations indicate how the plan is intended to work, but the reader must bear closely in mind that these details are illustrations only, and that in actual practice there will be variability in the amounts made available, depending upon individual circumstances and need.

ILLUSTRATION I

Establishment in full-time farming

A veteran certified as qualified to engage in full-time farming applies for assistance to become established on a mixed farm, a property of his own choice in any one of the nine provinces of Canada. The farm on inspection by the administration is found suitable for settlement purposes and the property (land and improvements) can be purchased from its present owner

at a cost of \$3,600. The purchase of the farm is approved. The veteran also applies for advances of \$1,200 to purchase live stock and farm equipment to operate the property. Advances of this amount are approved.

The total cost to the Director is thus \$4,800, namely—\$3,600 for land and improvements plus \$1,200 for stock and equipment (maximum provided by the Act).

The veteran is required to make an immediate down payment to the Director of \$360 or 10 per cent of the cost of the land and improvements. The veteran then contracts with the Director to repay a sum of \$2,400 (two-thirds of the cost of the land and improvements) over a period of twenty-five years with interest at $3\frac{1}{2}$ per cent per annum amortized. The annual payment is \$145.62, or the equivalent of approximately \$12 per month.

Taxes, insurance and upkeep are the responsibility of the veteran.

The capital cost absorbed by the State, or, in other words, the conditional grant to the veteran is thus \$2,040 or 43 per cent of the total cost of the enterprise.

The main conditional elements in the Government loan and grant in connection with the above type of establishment are:

(a) *Qualifications.*—The veteran must be certified as qualified to engage in the business of full-time farming. Character references will be required.

Veterans who have not a background of practical farming experience will not be assisted to undertake this type of settlement. Full-time farming is a business that requires skill in operation and management. When the Act was passed Parliament placed emphasis on the necessity for practical experience in Canadian farm operation in relation to assisting veterans to undertake this type of establishment.

(b) *Cash down payment*.—The veteran is required to make a down payment of 10 per cent (\$360 in the case cited) at the time of purchase.

This is stipulated in the Act. The Director has no power to waive or modify this 10 per cent cash payment.

(c) The conditional Government grant (\$2,040 in case cited) may be realized by the veteran only after ten years performance in meeting settlement conditions and terms of the contract. In other words, the Act forbids the sale of the property by the veteran within a period of ten years following the date of establishment unless the full outstanding cost of the land, improvements and chattels is paid.

ILLUSTRATION II

Establishment on a small holding (coupled with industrial, commercial or other employment with exception of commercial fishing).

A veteran certified as qualified for small holding settlement applies for assistance to be-

come established on a small holding of say one to three acres (it may be more or less in size) near or adjacent to a village, town or city in any province of the Dominion. The land on inspection by the administration is found suitable as to location with regard to employment opportunity, and such further factors as soil, drainage, road facilities and annual tax assessment.

The land can be purchased from the present owner at a cost of three hundred dollars. The veteran applies for assistance to build a home on the small acreage and after deciding on a plan and design of house suitable to the particular district, a loan of say \$2,500 is approved by the administration for this purpose. The veteran also applies for \$200 for fencing and a well, and further advances of \$400 for sundry tools, small implements, and possibly some essential household equipment. His applications for these additional advances are approved. The total cost to the Director of the small holding establishment is thus \$3,400, namely—\$3,000 for land, house and other improvements plus \$400 for chattels.

The veteran is required to make an immediate down payment to the Director of \$300 or 10 per cent of the cost of the land and improvements. The veteran then contracts with the Director to repay a sum of \$2,000 (two-thirds of the cost of the land and improvements) over a period of twenty-five years with interest at $3\frac{1}{2}$ per cent per annum amortized. The annual payment is

\$121.20 or the equivalent of approximately \$10 per month.

Taxes, insurance, and upkeep are the responsibility of the veteran.

The capital cost absorbed by the Government, or, in other words, the conditional grant to the veteran, is thus \$1,100 or 32 per cent of the total cost of the small holding enterprise.

The main conditional elements in the Government loan and grant in connection with the above type of establishment are:

(a) *Qualifications*.—The veteran must be certified as qualified to participate in small holding settlement; one of the main qualifications is that the veteran have steady employment or the definite prospect of such employment.

The type of employment is not specified in the Act or regulations. It may include work as a hired farm hand, mill worker, garage mechanic, factory employee, bookkeeper and other occupations too numerous to recite. Character references from previous employers, or reliable citizens in the veteran's home district will be required.

(b) The conditions of 10 per cent cash down payment and ten years' performance in meeting settlement conditions and terms of contract before the veteran realizes the Government grant are as set forth in Illustration I.

ILLUSTRATION III

Establishment on a small holding to engage in commercial fishing.

A veteran certified as qualified to engage in commercial fishing applies for assistance to buy a home and engage in the business of commercial fishing as a means of earning his living. The small holding of say one to three acres, complete with a snug home, is found suitable for the purpose on inspection by the administration and can be purchased from its present owner at a cost of \$2,400. The purchase of the property is approved. The veteran also applies for advances of \$1,000 to purchase a boat with engine, nets and gear. Advances for this amount are approved. He also applies for \$150 for certain items of household equipment, and \$50 for small tools. These advances are approved.

The total cost of establishment to the Director is thus \$3,600, namely—\$2,400 for the small holding and \$1,200 for fishing equipment and other chattels.

The veteran is required to make an immediate payment of \$240, or 10 per cent of the cost of land and improvements. The veteran then contracts with the Director to repay the sum of \$1,600 (two-thirds of the cost of the land and improvements) over a period of twenty-five years with interest at $3\frac{1}{2}$ per cent per annum amortized. The annual payment is \$97, or the equivalent of approximately \$8 per month.

Taxes, insurance, and upkeep of the property and equipment are the responsibility of the veteran.

The capital cost absorbed by the Government, or, in other words the conditional grant to the veteran, is thus \$1,760, or 48 per cent of the total cost of the enterprise.

The main conditional elements in the Government loan and grant in connection with the above type of establishment are:

(a) *Qualifications.*—The veteran must be certified as qualified to engage in the business of commercial fishing. Veterans who have not a background of practical experience in the fishing industry will not be assisted to undertake this type of establishment. Deep sea fishing or commercial fishing in Canada's inland lakes is a hazardous business requiring skill, experience, and rugged physique. It will be obvious to veterans why these qualifications must be insisted upon.

(b) The conditions of 10 per cent cash down payment and ten years' performance in meeting settlement conditions and terms of the contract before the veteran realizes the Government grant are as set forth in Illustration I.

Establishment on a small holding to engage in commercial fishing is the type of rehabilitation that lends itself to two veterans engaging in the enterprise on a partnership basis. For example: two veterans experienced in coastal fishing may wish to work together, and provision

is made in the regulations to permit the pooling of advances to purchase a boat, engine, nets and gear, costing say \$2,000 to \$2,400. In such circumstances each veteran would have his own home and small holding and a separate contract with the Director covering land and improvements. A separate contract would be entered into with the Director covering responsibility of the veterans with regard to fishing equipment purchased.

The acreage for small holding settlement to engage in commercial fishing will vary greatly according to location. For example, in the Eastern Maritime Provinces the holding may be 20 acres or more in some districts.

Advances on the security of land owned by a veteran.

The Act provides a further type of assistance, namely—financial assistance to a veteran who owns farm land and who may desire funds to pay off a mortgage, effect improvements, or buy livestock and equipment. Advances totalling up to \$3,200 may be obtained for such purposes provided that they do not exceed 60 per cent of the value of the land. If an advance for livestock and equipment only is desired the total may not exceed \$2,500, or 50 per cent of the value of the land. First mortgage security is required. Repayment may be made over a period of twenty-five years, with interest at the rate of $3\frac{1}{2}$ per cent per annum amortized.

Administration—Advisory Committees.

In the three foregoing illustrations numbered I, II and III, of the practical application of the Act, reference is made in each case to necessary qualifications of the veteran for the particular type of establishment and to the obligations he undertakes in his contract with the Director. Readers of this pamphlet may ask, "What kind of administration will be set up to ensure that the intent of the Act will be given real meaning in actual settlement operations?"

The Act provides for the appointment of a Director to administer the statute, and for the appointment of necessary officers and other employees as may be required. The Director is responsible to the Minister of Mines and Resources. This at first glance might savour of one-man administration. But the Act also provides for the appointment of Regional Advisory Committees to advise the Director with respect to the qualifications of veterans and the selection of lands for settlement. In practical operation, therefore, the veteran (and his wife if he is married) appears before a local or regional advisory committee and the members of this committee will review with the veteran his qualifications for the particular type of establishment he proposes to undertake, and recommend to the Director the fitness or otherwise of the veteran for settlement.

The wife of a veteran according to her background of experience, her attitude toward rural life, and willingness to co-operate in the enter-

prise, can largely make or mar the settler's chance of success. Wherever practicable, therefore, both the veteran and his wife will be required to appear before the regional advisory committee.

Similarly, with regard to the proposed settlement enterprise, whether it be to engage in full time farming, small holding settlement coupled with industrial or other employment, or small holding settlement coupled with commercial fishing, the regional advisory committee will consider the soundness and suitability or otherwise of the proposed establishment for the individual veteran, and make recommendation to the Director.

No organization is infallible. It is the purpose, however, that the staff attached to the Director shall be competent men, with practical experience in the field of land settlement. For example, land inspections and appraisals will be conducted by experienced men. Additional staff as required will be carefully selected and trained by the experienced staff referred to.

It is probable that there will be cases of failure under the Act for various reasons. Here again the veteran who fails and has to give up his farm or settlement enterprise is not subject to the decision of one person only. The Act provides that before taking any action to cancel the veteran's contract, no matter what the default, the Director shall refer the matter to a Provincial Advisory Board for its consent as to whether the default warrants cancellation of the

veteran's agreement. These Provincial Advisory Boards are composed of three members, the Chairman of which is a County or District Court Judge of the Province in which such Board operates, and one member is nominated by the Canadian Legion.

Finally, in so far as administration is concerned, veterans of this war who apply for the benefits of the Act will not be dealing with an administrative staff who lack appreciation of the veteran point of view. The present nucleus of staff are veterans of the last war and their numbers will be added to as required by veterans of the present war.

General Observations.

The Veterans' Land Act is very broad in scope and therefore contains many provisions designed to make it practical and workable that cannot be dealt with in this pamphlet. The following points are of special interest. Reference has been made to flexibility in the variety of types of establishment. There is also provision for flexibility in the contract between the veteran and the Director with the object of meeting individual circumstances in a practical way. For example, at the discretion of the Director terms of payment by a veteran may be varied to provide for annual or semi-annual or monthly payments of principal and interest, provided that a repayment period of twenty-five years is not exceeded.

In the matter of a veteran's qualifications to engage in a full-time farming enterprise, it may

be that the veteran was born and raised on a farm but has been out of touch with farm practice for several years and requires a "brush-up" course of training. Provision is made for such a veteran to be placed with a selected farm operator for a period to get his hand in with regard to feeding, care, and handling of live-stock, and farm management.

It may be the usual practice in a pamphlet of this kind to start out by reciting the conditions of eligibility to participate in benefits under the Act from the standpoint of service in the armed forces. It is known that there are many thousands of men in the armed forces who are or will be eligible to come within the benefits of the Act in so far as their war service is concerned. It seemed preferable, therefore, to first deal in a realistic way with what the Veterans' Land Act is all about, what obligations the veteran has to fulfil, what part the Government and the administration must play, if this Act is to achieve its object.

Following is the definition of a "veteran" as set forth in the Veterans' Land Act:

"'veteran' means a person who at any time during the war declared by His Majesty, on the tenth day of September, one thousand nine hundred and thirty-nine, against the German Reich and subsequently against other powers, has been therein engaged on active service in a naval, military, or air force of Canada, or of any of His Majesty's forces, if

at the time of his enlistment he was ordinarily domiciled or resident in Canada, and

- (i) has served in a theatre of actual war, as designated by the Governor in Council under the authority of the Pension Act; or,
- (ii) has served only in those parts of Canada which are not designated by the Governor in Council as a theatre of actual war, provided that such service shall have been for a period of not less than twelve months; or
- (iii) wherever he may have served is by reason of disability incurred as a result of such service in receipt of a pension; and has been honourably discharged from such naval, military, air force, or other of His Majesty's forces, or has been permitted honourably to resign or retire therefrom;

and 'veteran' also means a British subject who was ordinarily domiciled or resident in Canada at the beginning of the said war and who is in receipt of a pension in respect of a disability incurred while serving upon a ship during the said war."

In conclusion, attention is again drawn to the provision of the Act wherein the veteran must subscribe 10 per cent of the cost of the land and buildings in cash. This provision was not inserted merely to place a percentage of the cost of establishment on the shoulders of the veteran, but because past experience shows that unless

the veteran makes this contribution at the start his whole enterprise lacks stability. Careful planning and thrift will be necessary in order to accumulate the funds necessary for participation in the scheme, but it is believed that the benefits available under the Act are well worth the effort required.

Careful thought should also be given by the veteran to the locality or specific location he may decide to select. It is only natural that many service men intend to return to the communities where they lived before enlistment so that they may be among their friends and acquaintances. Others may decide to strike out for new fields, but all should realize that the Veterans' Land Act is not intended to serve merely as a stop-gap following the process of demobilization. It is expected to provide an anchorage for the future where veterans will make their homes and establish ownership of them. In considering these things the veteran should concentrate on a locality or a specific enterprise where his future will not be unduly handicapped by hazards which both he and the administration of this Act should avoid.

Further information or advice may be obtained by addressing inquiries to the officials listed hereunder:

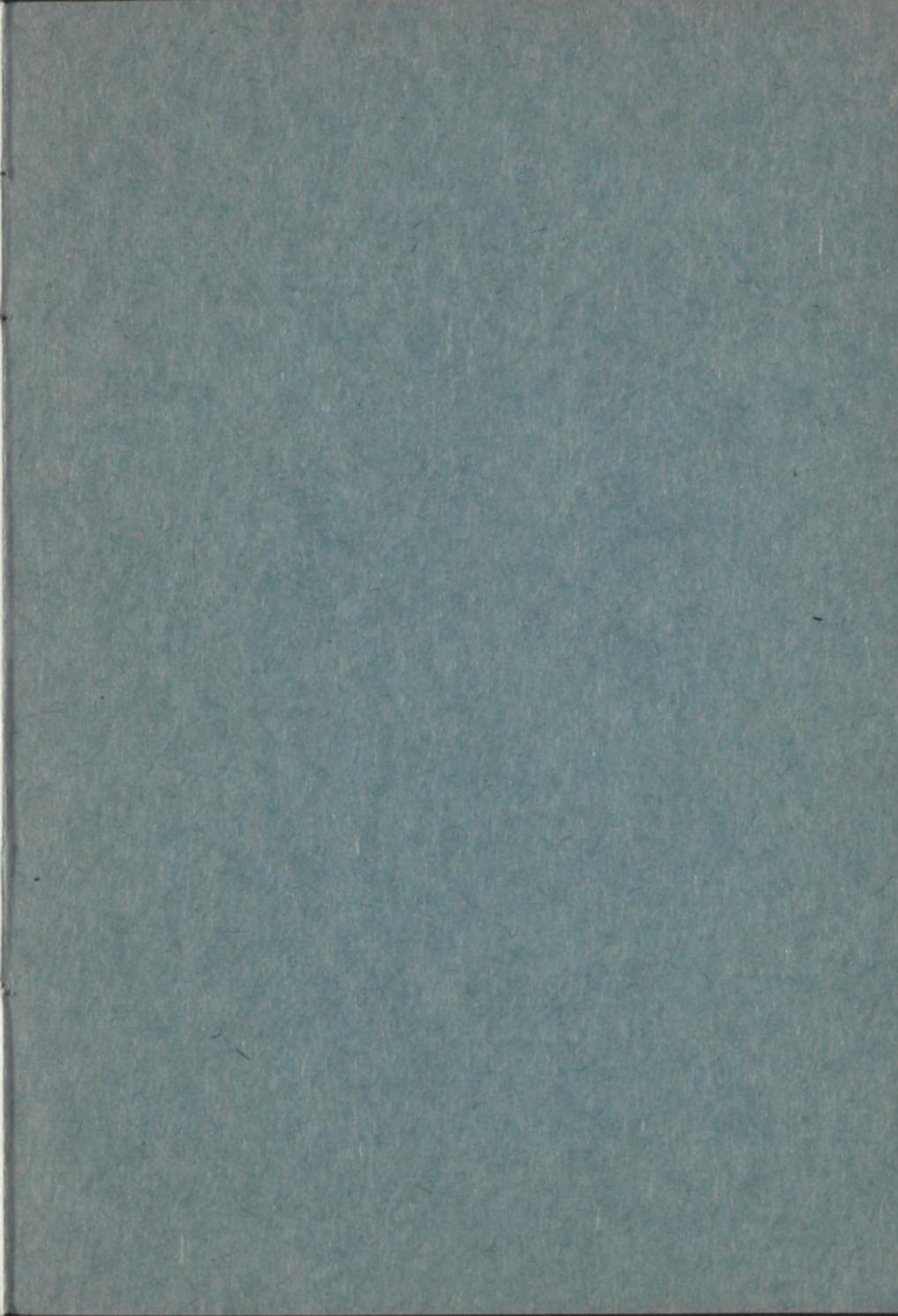
Director, Veterans' Land Act, Ottawa, Ont.;
District Superintendent, Veterans' Land Act,
Vancouver, B.C.;
District Superintendent, Veterans' Land Act,
Edmonton, Alta.;

District Superintendent, Veterans' Land Act,
Saskatoon, Sask.;
District Superintendent, Veterans' Land Act,
Winnipeg, Man.;
District Superintendent, Veterans' Land Act,
Toronto, Ont.;
District Superintendent, Veterans' Land Act,
Sherbrooke, Que.;
District Superintendent, Veterans' Land Act,
Saint John, N.B. (for the Maritime
Provinces).

NOTE TO PROSPECTIVE APPLICANTS

If after reading this pamphlet you decide to write one of the officials listed it will avoid waste of time and unnecessary correspondence if you furnish the following particulars:—

1. Pre-enlistment employment and place of residence.
2. Date and place of enlistment. If discharged, date and place of discharge and whether in receipt of a pension. If employed, the nature of such employment.
3. Age, and whether married or single.
4. Whether full-time farming, small holding or a commercial fishing type of settlement is contemplated and the province and locality preferred.
5. Whether in a position to put up the initial deposit required under the Act and if not some indication as to when such a position is likely to be attained.



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